

Washington, D.C. – Congressman Sanford D. Bishop, Jr. (GA-02) on Tuesday submitted testimony to an International Trade Commission hearing in Washington, D.C., to explore the increase in Chinese tire imports in the U.S. markets.

“The flood of tire imports over the last five years has been remarkable,” Bishop said. “It is no surprise then that there has been a steep decline in domestic production. The Chinese imports drove down our share of our own market which has resulted in layoffs, reduced capacity, and plant closings.”

In April of this year, the United Steelworkers Union (USW) responded to the dramatic surge of consumer tire imports from China by filing a trade case under Section 421 of U.S. trade laws, which allows the U.S. to address surging imports into our markets. Today’s hearing was an investigation of the USW’s filing.

Congressman Bishop has taken particular interest in this issue since the announcement last year by Cooper Tire and Rubber Company that it would close its factory in Albany, Ga., resulting in the loss of nearly 1,400 jobs.

“The Cooper Tire Company has helped contribute to Albany’s growth and prosperity by providing good jobs at good wages,” Bishop said. “With the economic troubles now gripping Georgia, our country, and much of the world, it was a real setback to the hardworking citizens of Albany when the closing of the Cooper facility was announced.”

Complete text of Congressman Bishop’s testimony at Tuesday’s hearing:

Congressman Sanford Bishop

Testimony for the Record

Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China

U.S. International Trade Commission

Investigation No. TA-421-7

Tuesday, June 2, 2009

Madame Chairman and Members of the Commission, thank you for allowing me the opportunity to testify today on this very important issue. On behalf of my constituents in Georgia’s Second Congressional District, I am pleased to support the Section 421 petition filed by the United Steelworkers (USW) union. I am also pleased that a good number of my colleagues are in attendance today to express their support for this petition on behalf the people they represent.

The flood of tire imports over the last five years has been remarkable. By volume, imports have tripled. By dollar value, imports have more than doubled. It is no surprise then that there has been a steep decline in domestic production. The Chinese imports drove down our share of our own market which has resulted in layoffs, reduced capacity, and plant closings.

Just before Christmas of last year, Cooper Tire and Rubber Company announced it would close its factory in Albany, Georgia, resulting in the loss of nearly 1,400 jobs. You can only imagine the shock that this announcement brought on our workers and their families, and for that matter,

the entire community.

Albany is a beautiful town. It is the birthplace of Ray Charles and big band leader Harry James. In the early 1960s, a determined group of Albany citizens led a desegregation campaign that attracted national attention. The Cooper Tire Company has helped contribute to Albany's growth and prosperity by providing good jobs at good wages. With the economic troubles now gripping Georgia, our country, and much of the world, it was a real setback to the hardworking citizens of Albany when the closing of the Cooper facility was announced.

I am here today in a show of solidarity for all of the workers who are losing their jobs in Albany, as well as for all of those whose jobs are at stake as long as Chinese-made tires flood the domestic market. I commend the United Steelworkers, who represent some 15,000 workers in the tire industry, for bringing this petition. I urge the Commission to act now to spare these workers from the economic catastrophe that would come from preventable job losses.

Congress was wise to create the Section 421 safeguard as China got Permanent Normal Trade Relations and admittance to the World Trade Organization. There was bipartisan support for having China join the community of trading nations, but of course, it was linked to their acceptance of certain rules such as Section 421.

There was plenty of bipartisan caution about further liberalizing trade with China. After all, there had never been a country growing as a manufacturer and exporter with such ferocity and with such a different economic model than most other World Trade Organization Members. The Section 421 safeguard was a prudent device for dealing with possible surges. The Chinese understood this and they agreed to abide by its terms.

In light of that, I was unhappy to see that Chinese officials apparently tried to improperly circumvent the procedures and provide the ITC with information outside the hearing process. I thank the Commission for putting a halt to that effort and making sure procedures were followed.

The fact remains that the Section 421 safeguard should be applied whenever appropriate to correct the inequality that is part of trade in today's global and fast-paced environment. But the USW petition makes a strong case that injury has occurred and will continue. If remedies exist, why not use them?

President Obama has recast America's image in the world and brightened its message. On trade policy, he has promised more stringent enforcement of trade laws and I welcome that stance. Now, I hope to see it put into practice. With your conclusion that injury has occurred or is threatened, and a recommendation for import relief, you can clear the path for the first step in a new direction in our country's trade policy.

Please consider the facts carefully, as I know you will, and recommend relief for Cooper Tire and all of America's tire industry workers. Thank you.